OFFICE OF LEGISLATIVE RESEARCH PUBLIC ACT SUMMARY



PA 21-37—sHB 6100

General Law Committee

AN **ACT** CONCERNING **DEPARTMENT** OF **CONSUMER** LICENSING **PROTECTION** AND ENFORCEMENT, **ANTITRUST ISSUES** THE PALLIATIVE MARIJUANA AND AND USE OF REVISIONS TO THE LIQUOR CONTROL ACT

TABLE OF CONTENTS:

§ 1 — SITING COUNCIL CONSULTATION

Eliminates the requirement that the council consult with DCP prior to starting public hearings

§§ 2-5 — APPRAISERS AND APPRAISAL MANAGEMENT COMPANIES (AMC)

Makes changes to the AMC statutes to comport with the Federal Financial Institutions Examination Council's audit recommendations

§§ 6 & 7 — ARCHITECTS

Establishes continuing education completion deadlines for architects

§§ 8-10 — COMMUNITY ASSOCIATION MANAGERS (CAM)

Makes minor changes to the CAM law, including specifying CAMs must complete a course and pass a test before being granted a registration; eliminates provisions about expired registrations

§§ 11 & 14-17 — GENERAL POWERS

Makes numerous minor and conforming changes to the statutes concerning DCP's general powers and those of boards or commissions within it

§ 12 — DATE LABELING REQUIREMENTS

Updates an obsolete reference

§ 13 — NOTICE OF ADMINISTRATIVE ENFORCEMENT ACTION

Specifies the notice procedure that applies when a designated party or intervenor requires notice of an enforcement action

§ 18 — CENTRALIZED INFRACTIONS BUREAU

Makes certain assessed fines payable by mail without appearing in court

§§ 19-21 — HOMEMAKER-COMPANION AGENCIES

Allows homemaker-companion agencies to obtain insurance policies to cover employee theft; requires these agencies to conduct a national background check that meets certain requirements; and specifies conditions that make an individual ineligible for employment

§§ 22 & 23 — CONTRACTING WITH LICENSED TRADESPERSONS

Requires contracts for work on private residential property by licensed tradespeople to meet certain specifications

§ 24 — TRADESPERSON LICENSE REINSTATEMENT

Limits how long a tradesperson has to apply for license reinstatement after its suspension or revocation

§ 25 — LAPSE OF PROFESSIONAL ENGINEER OR SURVEYOR LICENSE

Specifies that a license lapses if not renewed by the expiration date

§§ 26-28 — REAL ESTATE BROKERS AND SALESPERSONS

Changes the annual registration expiration date for real estate brokers

§§ 29 & 38 — HOME IMPROVEMENT CONTRACTORS

Changes the annual registration expiration date for home improvement contractors

§§ 30 & 31 — MOBILE MANUFACTURED HOME PARK LICENSES

Makes several changes to DCP's enforcement authority over mobile manufactured homes

§§ 32-36 — CERTIFIED PUBLIC ACCOUNTANTS (CPA)

Makes several changes to the law regulating CPAs, including several to conform the law to the American Institute of CPAs' rules of conduct concerning fees

§ 37 — LOCKSMITHS

Specifies the method for conducting a criminal history check of prospective registrants

§§ 39 & 40 — HEALTH CLUB CONTRACTS

Requires health clubs to (1) allow members to cancel their memberships by email and (2) provide written notice about renewal at the beginning of the contract for those subject to automatic renewal

§§ 41-43 — NEW MOTOR VEHICLE LEMON LAW

Requires additional manufacturers to stamp their vehicles indicating they are lemon law buybacks; requires consumers in arbitration to provide notice about the arbitration before selling their motor vehicle; fines manufacturers that fail to stamp within the specified time period or fail to perform arbitration awards; and requires dealers to remit payments to the new automobile warranties account in an annual lump sum

§ 44 — CONTROLLED SUBSTANCE REGISTRATIONS

Allows DCP to immediately inactivate a practitioner's controlled substance registration if his or her license, registration, or approval of a license to practice is inactive for more than 90 days

§ 45 — EPINEPHRINE AUTO INJECTOR PRESCRIPTIONS

Allows pharmacists to prescribe an epinephrine auto injector (e.g., EpiPen) to someone who had a prescription for one, under certain circumstances

§ 46 — STERILE COMPOUNDING FACILITY CHANGES

Increases, from 10 to 45 days, the advance notice a compounding facility must give DCP when it plans to remodel or repair its sterile compounding facilities; requires emergency repairs to be reported within 24 hours; expands the situations in which notice must be given

§ 47 — PHARMACIST CONSULTATIONS

Expands the requirement that pharmacists offer to consult with patients when dispensing medications to include controlled substances, in addition to other drug types; applies the requirement to all pharmacies

§ 48 — DRUG WHOLESALER DEFINITION

Exempts certain pharmacies from the definition of "drug wholesaler"

§ 49 — MEDICAL MARIJUANA MATERIAL CHANGE NOTICE AND WAITING PERIOD

Requires anyone involved in a transaction that results in a material change to a medical marijuana business to file written notice with the attorney general; establishes a waiting period for these transactions

§§ 50-53 — HEMP

Requires licensed medical marijuana producers to manufacture, market, cultivate, or store hemp and manufacturer hemp products in accordance with existing medical marijuana laws; allows producers to obtain these products from other legal sources and requires these products to be tracked throughout the manufacturing process; requires the laboratories that test manufactured hemp products to be in Connecticut

§§ 54-78 — LIQUOR CONTROL ACT CONFORMING AND TECHNICAL CHANGES

Makes numerous minor, technical, and conforming changes to implement the changes from PA 19-24, including, among other things, conforming changes for the new cafe permit

§ 61 — SPECIAL CLUB PERMITS

Would have allowed cafe permittees that are nonprofit clubs to receive an additional permit to allow alcohol sales at outdoor picnics, but PA 21-10 repealed a related authorization

§ 68 — HOLDING MULTIPLE PERMITS

Allows a (1) nonprofit theater permittee to also hold a coliseum permit, (2) restaurant or cafe permittee to also hold a newly established seasonal outdoor open-air permit, and (3) restaurant permittee to also hold a cafe permit because of its racquetball or tennis facility

§ 68 — WHOLESALER'S HEARING REQUEST WHEN PREMISES' OWNERSHIP CHANGES

Eliminates a wholesaler's ability to request a hearing when a retailer permit applicant purchases a business where a prior permittee may have had outstanding liquor obligations or received consideration

§ 69 — PACKAGE STORE INTEREST INCREASE

Increases the number of alcoholic beverage retail permits (e.g., package stores) a person or backer may acquire an interest in from five to six

§§ 70 & 86 — AFFIRMED APPLICATIONS

Requires certain applications to be affirmed rather than sworn to

§ 75 — EFFECTIVE SEPARATION AND MINORS

Prohibits minors from being at certain consumer bars without a parent, guardian, or spouse

§ 76 — AIRPORT ALCOHOL HOURS

Reauthorizes certain airport cafe permittees to serve alcohol at the hours they were allowed to before the enactment of PA 19-24

§ 78 — DCP ALCOHOL REGULATIONS PAMPHLET

Eliminates the option for DCP to publish a pamphlet of all alcohol regulations and instead requires DCP to post them on its website

§ 79 — INVESTIGATION INFORMATION DISCLOSURE TIMEFRAME

Increases the maximum time DCP can withhold investigation information from six to 18 months

§ 80 — WHOLESALER FREE SAMPLES

Allows wholesalers to offer industry members and their own staff free samples of alcohol they distribute

§ 81 — CONCESSION PERMITTEES SERVING TWO DRINKS AT ONCE

Allows concession permittees to sell up to two drinks at one time

§ 82 — PROVISIONAL PERMIT TIME LIMITS

Prohibits provisional permits from being extended beyond one year

§§ 83 & 84 — DRUGGIST PERMIT ALCOHOL DELIVERIES

Allows druggist permittees to deliver alcohol

§ 85 — CATERER PERMIT

Specifies that caterer liquor permittees may sell and serve alcoholic liquor without food, prohibits them from self-dealing or self-hiring in order to generate catering events, and allows for exclusive catering contracts

§ 86 — NOTICING AND PLACARDING REQUIREMENTS EXEMPTION

Exempts Connecticut craft cafe permittees who held a manufacturer permit for a brew pub or a manufacturer permit for a beer and brew pub before July 1, 2020, from noticing and placarding requirements

§ 86 — REMONSTRANCE

Limits remonstrances to instances where the issue is not controlled by local zoning

§ 86 — APPLICATIONS WITH NO ACTION

Allows DCP to return applications when no action has occurred in 12 months

§§ 87-88, 92 & 94-96 — FINES AND APPEALS

Specifies that the appeals of conditions placed on permits are held in accordance with the UAPA and fines on a permit are per violation

§ 89 — NOTICES

Requires notices of decisions of any revocation or suspension of any permit to be posted on DCP's website rather than sent to the town clerk where the permittee operates or operated

§ 90 — TECHNICAL CHANGE

Makes a technical change

§ 91 — CONNECTICUT UNFAIR TRADE PRACTICES ACT (CUTPA)

Specifically allows CUTPA to be used in cases of unfair pricing

§ 93 — MANUFACTURER REBATES

Prohibits (1) merchandise, novelties, or other items from being used as manufacturers' rebates and (2) requiring alcohol purchase as a prerequisite for purchasing these items

§ 97 — CAFE PERMITS FOR HIGHER EDUCATION INSTITUTIONS

Allows cafe permits to be issued to any accredited higher education institution

§ 98 — OUT-OF-STATE SHIPPERS

Allows out-of-state shipper permittees to sell outside of Connecticut

§ 99 — PACKAGE STORE SHIPPING OUT-OF-STATE

Allows package store permittees to ship to out-of-state consumers

§ 100 — TWO DRINKS AT ONCE

Allows an alcoholic liquor permittee that sells for on-premises consumption to sell up to two drinks at once

§§ 101 & 102 — MUNICIPAL OPTION

Allows municipalities to decide whether to allow alcoholic liquor (e.g., spirits, wine, and beer) sales legislatively rather than by referendum

§ 103 — SEASONAL OUTDOOR OPEN-AIR PERMIT

Establishes a seasonal outdoor open-air permit that allows alcohol sales in outdoor spaces under certain conditions

§ 104 — PROHIBITION ON RELABELING AS CONNECTICUT WINE

Prohibits repackaging, relabeling, or selling wine manufactured outside of Connecticut as Connecticut-made wine

§ 105 — PACKAGE STORE ALLOWABLE ITEMS

Allows package store permittees to sell devices and related accessories designed to access and extract a beverage containing alcohol from a prepackaged container (e.g., pod or pouch)

§ 106 — MEAD IN GIFT BASKETS

Allows gift basket retailer permittees to sell mead in their gift baskets

§ 107 — PROOF GALLON

Specifies that a manufacturer permittee for spirits who produces less than 50,000 proof gallons, rather than gallons, may sell sealed bottles at retail for off-premises consumption

§§ 108 & 109 — CERTAIN ON-PREMISES ALCOHOL PERMITTEES ALLOWED TO SELL FOR OFF-PREMISES CONSUMPTION

Allows, until June 4, 2024, certain alcohol permittees to sell and deliver alcoholic liquor for offpremises consumption that they currently sell for on-premises consumption

§ 110 — REPEALER

Repeals obsolete provisions

§ 1 — SITING COUNCIL CONSULTATION

Eliminates the requirement that the council consult with DCP prior to starting public hearings

The act removes the Department of Consumer Protection (DCP) from the list of state agencies that the Connecticut Siting Council must consult with and solicit written comments from, prior to starting public hearings on certificate of environmental compatibility and public need applications.

EFFECTIVE DATE: Upon passage

§§ 2-5 — APPRAISERS AND APPRAISAL MANAGEMENT COMPANIES (AMC)

Makes changes to the AMC statutes to comport with the Federal Financial Institutions Examination Council's audit recommendations

By law, real estate appraisers, provisional appraisers, and AMCs must register with DCP. The act makes several changes to the AMC statutes to comport with the Federal Financial Institutions Examination Council's audit recommendations. Specifically, it does the following:

- 1. revises the definition of AMC to exclude any subsidiary of a federally regulated financial institution, regardless of what type of appraisal requests it receives, and
- 2. requires AMCs, when applying to DCP, to disclose any owners, not just those owning 10% or more of the company (owners are subject to DCP's good moral character review), and makes related conforming changes to subject owners of less than a 10% interest to the same requirements that apply to owners of at least a 10% interest under existing law (§§ 2-4).

The act also makes the real estate appraiser or provisional appraiser continuing education fee annual, rather than biennial, so that it coincides with the renewal period. It also specifies that the fee covers the cost of reviewing and auditing continuing education submissions (§ 5).

EFFECTIVE DATE: July 1, 2021

§§ 6 & 7 — ARCHITECTS

Establishes continuing education completion deadlines for architects

By law, architects must complete 12 hours of continuing education (CE) annually (Conn. Agencies Regs. § 20-289-6a); failure to do so may result in license suspension or revocation or civil penalties of up to \$1,000 (CGS § 20-294). The act establishes specific CE completion deadlines and specifies that architects who miss the deadlines by more than 26 weeks may, after an administrative hearing, lose their license or have it suspended or not renewed.

Except for certain retired architects, the act specifies that the 12-month CE period begins three months prior to license expiration and ends three months before renewal in the following year. The act establishes the following fees for architects who do not meet the act's CE completion deadlines: (1) \$315 for architects who complete it up to 13 weeks after the deadline and (2) \$625 for architects who complete it 13-26 weeks after the deadline.

The act also allows licensed architects to attest to, rather than submit proof of, completing their required CE.

EFFECTIVE DATE: July 1, 2021

§§ 8-10 — COMMUNITY ASSOCIATION MANAGERS (CAM)

Makes minor changes to the CAM law, including specifying CAMs must complete a course and pass a test before being granted a registration; eliminates provisions about expired registrations

CAMs provide management services to common interest community associations, such as condominium associations and boards. The act specifies that CAMs, before applying for an initial registration, must complete a nationally recognized course on community association management and pass the National Board of Certification for Community Association Managers' Certified Manager of Community Associations examination (or a similar examination if permitted by DCP regulations). (In practice, DCP already required this.)

By law, the fee for an initial registration is \$100, plus a \$60 application fee; the fee for renewal is \$200. The act eliminates a (1) provision that prohibits renewing a certificate that expired more than a year prior and (2) \$50 fee for renewal applications made more than a month after they expired.

EFFECTIVE DATE: Upon passage

§§ 11 & 14-17 — GENERAL POWERS

Makes numerous minor and conforming changes to the statutes concerning DCP's general powers and those of boards or commissions within it

The act makes numerous minor and conforming changes to the statutes concerning DCP's general powers and those of boards or commissions within it.

Among other things, it does the following:

1. specifies that DCP and each board or commission is authorized to place conditions on a license, registration, or certificate (not just suspend or revoke it) or impose a fine of up to \$1,000 per violation;

- 2. specifies that the DCP commissioner may issue a letter of reprimand to a credential holder or registrant and send a copy of the letter to a complainant or to a state or local official;
- 3. authorizes the DCP commissioner to place a credential holder or registrant on probationary status and (a) require him or her to report to DCP regularly or seek further education to attain a satisfactory level of competence and (b) limit his or her practice areas;
- 4. specifies that continuing education completion periods begin and end three months prior to the annual or biennial renewal date for the applicable credential, except those related to the practice of pharmacy; and
- 5. specifically authorizes the DCP commissioner to delegate her authority to render a final decision in a contested case to a hearing officer either employed by, or contracted with, DCP.

The act specifies that DCP's enforcement powers extend to credentials or registrations that are voluntarily surrendered or not renewed.

EFFECTIVE DATE: Upon passage, except the CE completion period provision (§ 16) is effective October 1, 2021.

§ 12 — DATE LABELING REQUIREMENTS

Updates an obsolete reference

The act replaces a requirement to adopt regulations conforming to an obsolete national standard with a requirement that DCP's regulations prescribe uniform date labeling requirements for food.

EFFECTIVE DATE: Upon passage

§ 13 — NOTICE OF ADMINISTRATIVE ENFORCEMENT ACTION

Specifies the notice procedure that applies when a designated party or intervenor requires notice of an enforcement action

The act specifies that notice of DCP administrative enforcement actions, including compliance meetings and hearings related to consumer hotline complaints, must be in writing and comply with the Uniform Administrative Procedure Act. It sets out the specific notice procedure that applies when giving notice of an enforcement action to a designated party or intervenor who is not a credential holder or their authorized representative. The notice must be delivered (1) personally; (2) by U.S. mail with delivery tracking or via certified mail; or (3) by email with tracking and delivery confirmation.

Notice to a non-credential holder is sufficient if DCP makes reasonable efforts, including verifying the mailing address with the secretary of the state or the Department of Motor Vehicles (DMV). If notice is sent by mail or email to a credential holder, then it is effective if sent to the last known address on file with DCP.

EFFECTIVE DATE: Upon passage

§ 18 — CENTRALIZED INFRACTIONS BUREAU

Makes certain assessed fines payable by mail without appearing in court

The act makes assessed fines payable by mail without appearing in court for (1) manufacturing hemp without a license or (2) noncompliance with a DCP order about mobile manufactured home parks.

EFFECTIVE DATE: Upon passage

§§ 19-21 — HOMEMAKER-COMPANION AGENCIES

Allows homemaker-companion agencies to obtain insurance policies to cover employee theft; requires these agencies to conduct a national background check that meets certain requirements; and specifies conditions that make an individual ineligible for employment

Employee Theft Coverage (§ 20)

Under prior law, each homemaker-companion agency had to obtain a surety bond for at least \$10,000 to insure against an employee's theft from a client. The act allows agencies to obtain an insurance policy for the same purpose.

Background Check (§§ 19 & 21)

By law, homemaker-companion agencies must conduct a comprehensive background check of prospective employees. Instead of reviewing only public Connecticut criminal records as required under prior law, the act also requires agencies to conduct a local and national check based on their name and date of birth. When doing so, it requires them to:

- 1. search a multi-state and multi-jurisdiction criminal record locator or similar commercial nationwide database with validation;
- 2. search the Department of Justice's National Sex Offender Public Website; and
- 3. use a third-party consumer reporting agency or background screening company that is accredited by the Professional Background Screening Association and in compliance with the federal Fair Credit Reporting Act.

The act also allows agencies to conduct video-conference interviews, rather than requiring the mandated interview to be in-person.

The act requires agencies to notify clients about their background check policy in writing and include a citation to state law.

The act requires agencies to obtain a non-citizen's employment authorization form (i.e., Form I-9) after he or she accepts an offer of employment or executes an employment contract.

Hiring Ban (§ 21)

Under the act, agencies are prohibited from hiring someone whose name appears on the U.S. Department of Health and Human Services' Office of

Inspector General's online federal database of excluded individuals and entities for a conviction within the past five years. Individuals and entities on the list are prohibited from being paid for services with federal health care program funding due to past actions such as Medicare fraud.

The act also prohibits agencies from hiring someone who in the past five years was:

- 1. convicted or released from incarceration for a criminal offense related to services or items provided under certain state health care programs (e.g., Medicaid and the Children's Health Insurance Program);
- 2. convicted under state or federal law or released from incarceration for a criminal offense related to patient neglect or abuse while providing health care items or services;
- 3. convicted or released from incarceration for a felony related to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct (a) while providing health care items or services or (b) for an act or omission in connection with a health care program operated or funded by a government agency;
- 4. convicted under state or federal law or released from incarceration for a felony relating to unlawful controlled substance manufacture, distribution, prescription, or dispensing; or
- 5. subject to a state or federal agency's substantiated finding of neglect, abuse, physical harm, or misappropriation of property valued at over \$2,000.

EFFECTIVE DATE: January 1, 2022, except the insurance policy provision is effective upon passage (§ 20).

§§ 22 & 23 — CONTRACTING WITH LICENSED TRADESPERSONS

Requires contracts for work on private residential property by licensed tradespeople to meet certain specifications

The act requires contracts for work on private residential property by licensed tradespeople to meet certain specifications. It generally applies to contracts entered into by an owner or resident (or their agent) of a one-to-six unit residential property or condominium or common interest community of any size ("consumer"), for work performed by a licensed contractor in the electrical; plumbing and piping; solar; heating, piping, and cooling; sheet metal; fire protection sprinkler systems; elevator installation, repair, and maintenance; irrigation; or flat glass work fields ("licensed tradesperson").

Under the act, to be valid or enforceable against the consumer, the contract must contain the entire agreement and:

- 1. be in writing and signed by the licensed tradesperson or his or her employer and consumer;
- 2. contain the contracting licensed tradesperson's name, address, and license number (or the employing business's owner, partner, or limited liability member's name, phone number, and address);
- 3. include the name and license number of each licensed tradesperson

performing work (may be amended in writing during the contract's term);

- 4. contain notice of the owner's cancellation rights under the Home Solicitation Sales Act; and
- 5. have the transaction date and specify a start and completion date.

The act requires any change to the contract's terms and conditions to be written and signed by both parties unless the DCP commissioner eliminates the requirement by regulation.

EFFECTIVE DATE: Effective January 1, 2022, except certain conforming changes are effective upon passage.

§ 24 — TRADESPERSON LICENSE REINSTATEMENT

Limits how long a tradesperson has to apply for license reinstatement after its suspension or revocation

The act limits how long a tradesperson has to apply for license reinstatement after its suspension or revocation. Under the act, a tradesperson has up to 180 days after the action to apply for license reinstatement. The act also requires that they must show good cause for reinstatement when applying.

By law, unchanged by the act, tradespeople must wait at least 90 days after their licenses' suspension or revocation to apply for reinstatement.

EFFECTIVE DATE: Upon passage

§ 25 — LAPSE OF PROFESSIONAL ENGINEER OR SURVEYOR LICENSE

Specifies that a license lapses if not renewed by the expiration date

The act eliminates the 30-day window after a license's expiration date for it to be renewed without lapsing. Consequently, it requires renewal to occur by the expiration date.

EFFECTIVE DATE: Upon passage

§§ 26-28 — REAL ESTATE BROKERS AND SALESPERSONS

Changes the annual registration expiration date for real estate brokers

The act makes several minor changes to the real estate brokers' and salespersons' licensing laws. It:

- 1. changes the annual expiration date for brokers' licenses to November 30, rather than March 31, and specifies how renewals will be handled in the transition year (i.e., 2022), including a pro-rated renewal fee;
- 2. eliminates a provision making application fees refundable if a broker's or salesperson's license is not issued; and
- 3. makes the real estate brokers' and salespersons' continuing education fee annual, rather than biennial (coinciding with the renewal period) and specifies that it covers the cost of reviewing and auditing continuing education submissions.

EFFECTIVE DATE: Upon passage §§ 29 & 38 — HOME IMPROVEMENT CONTRACTORS

Changes the annual registration expiration date for home improvement contractors

The act makes home improvement contractors' annual registrations expire on March 31, rather than November 30, and specifies how renewals will be handled in the transition year (i.e., 2021), including a pro-rated fee (§ 29).

It also makes a minor change to the affidavit requirement for Home Improvement Guaranty Fund applicants by eliminating the requirement that the affidavit be notarized (§ 38; see BACKGROUND: *Related Act*).

EFFECTIVE DATE: Upon passage

§§ 30 & 31 — MOBILE MANUFACTURED HOME PARK LICENSES

Makes several changes to DCP's enforcement authority over mobile manufactured homes

The act makes several changes to the mobile manufactured home park licensing laws. It:

- 1. specifies that a mobile manufactured home park's license renewal may only be denied for failure to comply with the law if a formal enforcement action has begun;
- 2. allows DCP to place conditions on a license after a violation of applicable laws, rather than only being able to revoke, suspend, or refuse to renew it;
- 3. subjects violators of a DCP order to a \$500 fine per violation if 30 days pass without resolution following a reinspection (payable through the Centralized Infractions Bureau);
- 4. gives DCP 30 days, rather than five, to hold a hearing after automatically suspending a license upon finding certain public health and safety violations; and
- 5. authorizes DCP to require a licensee to obtain and pay for an independent inspection report assessing the potential public health impact of a park condition (e.g., trees or plumbing systems).

EFFECTIVE DATE: Upon passage

§§ 32-36 — CERTIFIED PUBLIC ACCOUNTANTS (CPA)

Makes several changes to the law regulating CPAs, including several to conform the law to the American Institute of CPAs' rules of conduct concerning fees

Exam and License Renewal (§§ 32 & 33)

The act specifically allows an applicant to take the CPA exam if he or she has completed at least 120 semester hours of appropriate education as specified in Board of Accountancy regulations. To qualify for the exam under prior law, one had to have a B.A. or equivalent with an accounting concentration or equivalent.

The act requires CPAs to renew their licenses online and pay the renewal fee

by credit card or electronic funds transfer unless they request and receive a waiver from the Board of Accountancy due to extenuating circumstances.

Work Product Retention (§ 34)

The act requires CPAs to keep work product and workpaper related to work for a client for at least seven years after creation unless the law requires a longer retention. Prior law only specified that CPAs must keep workpaper as required by any other law.

As under existing law, work product or workpaper related to the audit of a corporation subject to the Securities Exchange Act of 1934 must comply with the retention laws specific to those audits (CGS § 33-1332).

Fee Arrangements (§§ 35 & 36)

The act makes several minor changes to conform state law to the American Institute of CPAs' rules of conduct for CPA commissions and contingency fees. Among other things, it explicitly expands existing law's prohibition on certain contingent fee arrangements by specifying that a CPA may not work on contingency for a client in a situation where another member of the CPA's firm would be banned from doing so. (Existing law prohibits CPAs from working on a contingent fee basis under certain conditions, including when the CPA is auditing a client or preparing tax returns.) The act also eliminates a provision requiring contingent fee arrangements to be in writing.

EFFECTIVE DATE: October 1, 2021, except the 120 semester hours provision is effective upon passage (§ 32), and the work product retention provision is effective July 1, 2021 (§ 34).

§ 37 — LOCKSMITHS

Specifies the method for conducting a criminal history check of prospective registrants

The act specifies that a locksmith registration applicant's criminal history check must be a state and national criminal history check requested through the State Police Bureau of Identification.

EFFECTIVE DATE: Upon passage

BACKGROUND

Related Act

PA 21-197, § 8, eliminates the affidavit requirement for Home Improvement Guaranty Fund applicants.

§§ 39 & 40 — HEALTH CLUB CONTRACTS

Requires health clubs to (1) allow members to cancel their memberships by email and (2) provide written notice about renewal at the beginning of the contract for those subject to automatic renewal

Cancellation by Email (§ 39)

Prior law required consumers seeking to cancel a health club contract to do so by certified or registered mail. The act (1) allows them to also cancel the contract by email by providing written notice to the health club's email address and (2) eliminates the requirement that a mailed cancellation must be sent by certified or registered mail. It makes conforming changes to the contract's statement of the consumer's rights, which by law must include a conspicuous caption ("BUYER'S RIGHT TO CANCEL") and a statement about how to cancel the contract.

The act additionally requires that each contract renewed on or after October 1, 2021, revise the "BUYER'S RIGHT TO CANCEL" language to provide for e-mail cancellations.

Notice of Automatic Renewal (§ 40)

The act requires health clubs, for contracts subject to automatic renewal, to provide written notice of the renewal to consumers when they enter into the contract. The notice must be conspicuously printed on the contract's first page and be in bold, 14-point print. By law, contracts may not automatically renew for more than one month at a time.

EFFECTIVE DATE: October 1, 2021

§§ 41-43 — NEW MOTOR VEHICLE LEMON LAW

Requires additional manufacturers to stamp their vehicles indicating they are lemon law buybacks; requires consumers in arbitration to provide notice about the arbitration before selling their motor vehicle; fines manufacturers that fail to stamp within the specified time period or fail to perform arbitration awards; and requires dealers to remit payments to the new automobile warranties account in an annual lump sum

The act makes various changes to the new motor vehicle lemon law (hereinafter "lemon law"). Among other things, it (1) requires additional manufacturers to stamp their vehicles indicating they are lemon law buybacks, (2) requires consumers in arbitration to provide notice about the arbitration before selling their motor vehicle, (3) fines manufacturers that fail to stamp within the specified time period or fail to perform arbitration awards, and (4) requires dealers to remit payments to the new automobile warranties account in an annual lump sum.

The lemon law establishes a consumer's right to a refund or replacement vehicle if, after a reasonable number of repair attempts, a manufacturer cannot make the consumer's vehicle conform to applicable express warranties. Under the law's provisions, a "motor vehicle" means the following vehicles sold or leased in this state: passenger motor vehicles, certain commercial motor vehicles, or motorcycles (CGS § 42-179).

Incidental Damages (§ 41)

By law, a refund under the lemon law must include, among other things, all incidental damages, less a reasonable amount for the consumer's use of the vehicle. The act expands the incidental damages specifically covered by the law to include any commercially reasonable charges or expenses for (1) returning or disposing of the vehicle; (2) making reasonable efforts to minimize or avoid the consequences of financial default related to the vehicle; and (3) effectuating other remedies after a defect or condition that substantially impaired the vehicle was reported to a dealership or manufacturer. As under existing law, incidental damages also include expenses for the vehicle's inspection, receipt, transportation, care, and custody.

Stamp (§ 41)

The act requires manufacturers that buy back a vehicle under the lemon law to stamp the vehicle with "MANUFACTURER BUYBACK-LEMON" instead of "MANUFACTURER BUYBACK" as prior law required. It requires that this stamp be added to all lemon law returns, including (1) vehicles returned following arbitration and (2) returns accepted by the manufacturer due to a nonconformity or defect, in exchange for a refund or a replacement vehicle, whether by an administrative or judicial determination.

The act increases, from 10 to 30 days after receiving the title, the deadline by which a manufacturer must stamp the title and submit a copy to the DMV. As under existing law, the manufacturer must stamp the words clearly and conspicuously on the face of the original title in letters at least ¼ inch high.

The act allows DCP to fine manufacturers up to \$10,000 if they fail to stamp a title within 30 days after receiving the vehicle. The fine must be deposited in the new automobile warranties account. A manufacturer aggrieved by a fine may, within 10 days after receiving written notice of the fine from DCP, make a written request for a hearing. DCP must, upon receiving all documentation needed to evaluate the request, determine whether circumstances beyond the manufacturer's control prevented performance. The department may also conduct a hearing under the Uniform Administrative Procedure Act, if appropriate.

The act allows the DCP commissioner to adopt regulations to implement these provisions.

Arbitration Notice (§ 42)

The lemon law allows consumers to apply for arbitration through DCP by submitting applicable forms and a \$50 filing fee to the department. Under the act, if a consumer files for arbitration but sells the vehicle before a decision or settlement, then he or she must notify the individual or entity buying the vehicle that an action is pending with DCP under the lemon law program. The consumer must give this notice before the buyer executes a bill of sale and must include any

DCP-provided case number or reference number. The consumer must also (1) notify DCP about the sale within five days after the buyer executes the bill of sale, (2) provide DCP with the buyer's name and contact information, and (3) attest that notice of the pending action was given to the buyer before the sale.

Failure to Perform (§ 42)

The act allows DCP to fine a manufacturer up to \$1,000 per day if it fails to perform all remedies awarded by the arbitrator by the applicable performance date the arbitrator specified. This authority applies if the award's enforcement has not been stayed by a court or otherwise modified by the arbitrator. DCP may impose the fine each day until the manufacturer fully performs as specified under the award. Any fine must be deposited in the new automobile warranties account. A manufacturer aggrieved by a fine may appeal in the same manner as under the failure to stamp fine (see above).

New Automobile Warranties Account (§ 43)

By law, DCP may use the new automobile warranties account to implement the lemon law. The account is funded by a \$3 surcharge on each sale or lease of a new vehicle in the state and is collected by licensees (i.e., dealers).

The act requires dealers to pay the surcharges they collect in the prior calendar year in an annual lump sum to DCP by the following March 31. It allows DCP to assess a \$2 per-vehicle late fee.

Background — Lemon Law Applicability

The lemon law offers protections for a new vehicle when it has a defect that substantially impairs its use, safety, or value, and the vehicle has been:

- 1. repaired for the same issue four or more times during the first 24,000 miles or two years of service, whichever period ends first, and the issue remains unresolved;
- 2. out of service for a total of 30 days during the same period and the defect remains; or
- 3. repaired at least twice during the first year or the warranty term, whichever is shorter, and the defect is likely to cause death or serious bodily injury if the vehicle is driven (CGS § 42-179).

EFFECTIVE DATE: October 1, 2021

§ 44 — CONTROLLED SUBSTANCE REGISTRATIONS

Allows DCP to immediately inactivate a practitioner's controlled substance registration if his or her license, registration, or approval of a license to practice is inactive for more than 90 days

The act allows DCP to immediately inactivate a practitioner's controlled substance registration if his or her license to practice, or related registration or approval, is inactive for more than 90 days. Prior law required DCP

to notify the practitioner and hold an administrative hearing before taking this action.

The act specifies that an inactivation is not a disciplinary action and the controlled substance registration must be reinstated without charge if the practitioner restores his or her license, registration, or approval to practice with the Department of Public Health or the associated board or commission before the registration expires.

By law, a practitioner who prescribes, distributes, administers, or dispenses a controlled substance must obtain a registration from DCP. Practitioners eligible for the registration include physicians, dentists, veterinarians, advanced practice registered nurses, and scientific investigators, among others.

EFFECTIVE DATE: October 1, 2021

§ 45 — EPINEPHRINE AUTO INJECTOR PRESCRIPTIONS

Allows pharmacists to prescribe an epinephrine auto injector (e.g., EpiPen) to someone who had a prescription for one, under certain circumstances

The act allows a pharmacist, in his or her professional discretion, to issue a prescription to a requesting patient for up to two epinephrine auto injectors if the pharmacist:

- 1. confirms another pharmacy dispensed the medication to the patient under a prescription within the past two years;
- 2. identifies the patient's primary care provider, based on information the patient gives when requesting the prescription;
- 3. informs the patient's primary care provider within 72 hours after issuing the prescription (by phone, fax, or electronic transmission); and
- 4. does not prescribe refills or fill the prescription more than once a year.

The act defines "epinephrine auto injector" as a prefilled auto injector or similar automatic injectable equipment used to deliver epinephrine in a standard dose as emergency first aid for allergic reactions.

The act specifies that it does not prevent a pharmacist from verifying a previous prescription at any other U.S. pharmacy, including pharmacies in any area under U.S. jurisdiction (e.g., a territory).

EFFECTIVE DATE: Upon passage

§ 46 — STERILE COMPOUNDING FACILITY CHANGES

Increases, from 10 to 45 days, the advance notice a compounding facility must give DCP when it plans to remodel or repair its sterile compounding facilities; requires emergency repairs to be reported within 24 hours; expands the situations in which notice must be given

The act expands the situations in which a compounding pharmacy must provide notice to DCP to include when (1) the pharmacy plans to remodel a space adjacent to the compounding area or (2) secondary engineering controls are upgraded or repaired. The written notice must include a plan for the remodel, relocation, upgrade, or repair and the plan is subject to DCP review and approval.

The act also increases, from 10 to 45 days, the advance notice a compounding pharmacy must give DCP before it begins to remodel, relocate, upgrade, or repair sterile compounding areas, including:

- 1. remodeling an area used for compounding sterile pharmaceuticals;
- 2. relocating the sterile compounding area; or
- 3. in a sterile compounding area, upgrading or conducting a nonemergency repair to the heating, ventilation, air conditioning, or primary engineering controls.

The act also requires emergency repairs made in these pharmacies to be reported within 24 hours after they started, instead of as soon as possible as under prior law.

EFFECTIVE DATE: Upon passage

§ 47 — PHARMACIST CONSULTATIONS

Expands the requirement that pharmacists offer to consult with patients when dispensing medications to include controlled substances, in addition to other drug types; applies the requirement to all pharmacies

The act requires pharmacists or pharmacy employees, before or while dispensing a controlled substance, to offer for the pharmacist to counsel a patient on the drug and its use. The law already required pharmacists and employees to do this for other dispensed drug types.

As under existing law, the requirement does not apply if the (1) person picking up the prescription is not the patient or (2) pharmacist determines it is appropriate to make the offer in writing. A written offer must give the patient the option to communicate in person at the pharmacy or by telephone.

The act specifies that the consultation requirement applies to all pharmacies instead of only (1) hospital pharmacies dispensing a drug for outpatient use or use by an employee or the employee's spouse or children, and (2) state-licensed pharmacies. As under existing law, pharmacists are not required to provide counseling if a patient refuses it.

EFFECTIVE DATE: Upon passage

§ 48 — DRUG WHOLESALER DEFINITION

Exempts certain pharmacies from the definition of "drug wholesaler"

The act exempts from registering with DCP as a "drug wholesaler" (1) retail pharmacies that provide a limited quantity of drugs for emergency stock to a hospice inpatient facility's medical director and (2) pharmacies within a hospital that contains another hospital wholly within its physical structure, if providing prescribed medications for administration onsite to the contained hospital's outpatients.

Existing law provides similar exemptions for pharmacies (1) that provide emergency stock to nursing homes or (2) within a hospital that contains another hospital when the drug will be used in the contained hospital's inpatient unit.

EFFECTIVE DATE: July 1, 2021

§ 49 — MEDICAL MARIJUANA MATERIAL CHANGE NOTICE AND WAITING PERIOD

Requires anyone involved in a transaction that results in a material change to a medical marijuana business to file written notice with the attorney general; establishes a waiting period for these transactions

The act requires any person who enters into or who is involved in a transaction, either directly or indirectly, that results in a material change to a medical marijuana business to first file a written notice with the attorney general and serve a waiting period. A "person" means an individual, firm, partnership, corporation, company, association, trust, other business, or tribal entity; and a "medical marijuana business" means a licensed medical marijuana dispensary or production facility.

Under the act, "material change" means:

- 1. the addition of a dispensary facility backer or producer backer (i.e., an owner of a stake greater than 5%);
- 2. a change in the ownership interest of an existing dispensary facility backer or producer backer;
- 3. the merger, consolidation, or other affiliation of a medical marijuana business with another person;
- 4. the acquisition of all or part of a medical marijuana business by another person; and
- 5. the transfer of assets or security interests from a medical marijuana business to another person.

"Transfer" means to sell, transfer, lease, exchange, option, convey, give, otherwise dispose of, or transfer control over, including by way of merger or joint venture not in the ordinary course of business.

Written Notice

The act requires the written notice to be in a form and contain the documentary material and information relevant to the proposed transaction as the attorney general deems necessary and appropriate for him to determine whether the transaction would violate antitrust laws.

By law, the attorney general has the authority to, among other things, investigate proposed transactions for compliance with antitrust laws and require parties to provide relevant information through subpoenas and written interrogatories (CGS § 35-42).

Waiting Period

The act requires a waiting period before the transaction is complete, which begins on the day the attorney general receives the completed notice from all parties to the transaction (see above). The waiting period generally ends on the

30th day after the receipt unless the attorney general extends the time or, in individual cases, terminates the waiting period and allows the transaction to proceed.

Under the act, the attorney general may, before the 30-day waiting period expires, extend the waiting period by requesting additional material. He may require parties to submit, pursuant to a subpoena or voluntarily, additional information or documentary material relevant to the proposed transaction. Upon this request, the waiting period is extended until 30 days after the parties have substantially complied with the request as determined by the attorney general.

Disclosure Prohibited

Under the act, any information or documentary material filed with the attorney general is not disclosable under the Connecticut antitrust investigation law or Freedom of Information Act. This information or material must not be made public except as may be relevant to an administrative or judicial action or proceeding.

The act requires the information or documentary material to be returned to the person who provided it when the attorney general's review is terminated or the final determination of any action or proceeding commenced as a result.

EFFECTIVE DATE: July 1, 2021

§§ 50-53 — HEMP

Requires licensed medical marijuana producers to manufacture, market, cultivate, or store hemp and manufacturer hemp products in accordance with existing medical marijuana laws; allows producers to obtain these products from other legal sources and requires these products to be tracked throughout the manufacturing process; requires the laboratories that test manufactured hemp products to be in Connecticut

The act requires any licensed medical marijuana producer that manufactures, markets, cultivates, or stores hemp and manufacturer hemp products to do so in accordance with existing medical marijuana laws and regulations. The act also allows producers to obtain hemp and manufacturer hemp products from a person authorized under Connecticut law or the law of another U.S. state, territory, or possession or other sovereign entity to possess and sell these products.

The act also (1) prohibits hemp or hemp products from being sold or distributed within a medical marijuana dispensary and (2) requires independent testing laboratories that test hemp that will be manufactured into manufacturer hemp products to be located in Connecticut. By law, hemp that is intended to be manufactured into a manufacturer hemp product must be tested by an independent testing laboratory.

Definitions

As under the existing hemp laws, "hemp" is the plant Cannabis sativa L. and any part of it, including seeds and derivatives, extracts, cannabinoids, isomers,

acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol (THC) concentration of not more than 0.3% on a dry weight basis. "Manufacturer hemp products" are commodities manufactured from the hemp plant for commercial or research purposes that are intended for human ingestion, inhalation, absorption, or other internal consumption, containing a THC concentration of not more than 0.3% on a dry weight basis or per product volume or weight.

Exemption

Under the act, the Seed Law chapter and its regulations do not apply to medical marijuana producers, broadening an existing provision generally exempting producers from laws on hemp licensure and programs. The Seed Law chapter generally establishes requirements for seed labeling, sale, inspection, and restrictions, among other things (CGS § 22-61b et seq.).

Third-Party Tracking

The act requires the hemp or manufacturer hemp products a producer purchases from third parties to be tracked as a separate batch throughout the manufacturing process to document their disposition. Once the producer obtains, manufactures, markets, cultivates, or stores these products, they are deemed marijuana, and the producer must comply with the applicable marijuana laws and statutes. Producers must retain a copy of the certificate of analysis for hemp or manufacturer hemp products purchased and the invoice and transport documents that show the quantity purchased and date received.

EFFECTIVE DATE: July 1, 2021

§§ 54-78 — LIQUOR CONTROL ACT CONFORMING AND TECHNICAL CHANGES

Makes numerous minor, technical, and conforming changes to implement the changes from PA 19-24, including, among other things, conforming changes for the new cafe permit

The act makes numerous minor, technical, and conforming changes to implement the changes to liquor laws from PA 19-24, which among other things, combined various permits for on-premises alcohol consumption into the cafe permit. Among other things, it deletes references to obsolete permits such as airline, tavern, railroad, golf, coliseum concession, special sporting facility, and bowling establishment permits and substitutes them with references to the newly structured cafe permit, as applicable.

EFFECTIVE DATE: July 1, 2021, except as otherwise noted below.

§ 61 — SPECIAL CLUB PERMITS

Would have allowed cafe permittees that are nonprofit clubs to receive an additional permit to allow alcohol sales at outdoor picnics, but PA 21-10 repealed a related authorization

The act allows cafe permittees deemed in compliance based on being a nonprofit club to also receive a special club permit. But PA 21-10, reestablished the club and nonprofit club permit and eliminates prior provisions that allow these permittees to receive a cafe permit.

By law, a special club permit allows the permittee to sell alcoholic liquor (e.g., spirits, wine, and beer) by the drink to be consumed at an outdoor picnic. DCP has full discretion over issuing the permit based on the suitability of the place. The special club permit fee is \$50 per day and may only be granted four times in one calendar year.

EFFECTIVE DATE: July 1, 2021

§ 68 — HOLDING MULTIPLE PERMITS

Allows a (1) nonprofit theater permittee to also hold a coliseum permit, (2) restaurant or cafe permittee to also hold a newly established seasonal outdoor open-air permit, and (3) restaurant permittee to also hold a cafe permit because of its racquetball or tennis facility

The act allows a (1) nonprofit theater permittee to also hold a coliseum permit; (2) restaurant or cafe permittee to also hold a newly established seasonal outdoor open-air permit along (see below, § 103); and (3) restaurant permittee to also hold a cafe permit deemed in compliance due to its commercial racquetball or tennis facility.

By law, permittees and backers of one permit class are generally prohibited from holding a permit in another class.

EFFECTIVE DATE: Upon passage

§ 68 — WHOLESALER'S HEARING REQUEST WHEN PREMISES' OWNERSHIP CHANGES

Eliminates a wholesaler's ability to request a hearing when a retailer permit applicant purchases a business where a prior permittee may have had outstanding liquor obligations or received consideration

By law, permit applications are not approved for a proposed change or change in ownership of a retail permit premises unless the applicant files an affidavit by the seller stating all obligations have been paid or the applicant did not receive consideration from the predecessor permittee. The act eliminates a wholesaler's ability to request a hearing if he or she believes (1) there are outstanding obligations or (2) the applicant received consideration.

EFFECTIVE DATE: Upon passage

§ 69 — PACKAGE STORE INTEREST INCREASE

Increases the number of alcoholic beverage retail permits (e.g., package stores) a person or backer may acquire an interest in from five to six

The act increases the number of alcoholic beverage retail permits (i.e.,

package store or druggist liquor permit) a person or backer may acquire an interest in from five to six.

EFFECTIVE DATE: July 1, 2021

§§ 70 & 86 — AFFIRMED APPLICATIONS

Requires certain applications to be affirmed rather than sworn to

The act requires certain applications to be affirmed rather than sworn to. This applies to the following documents:

- 1. an application for any liquor permit or renewal (CGS § 30-39) and
- 2. an affidavit signed by an applicant stating that access from the dwelling to the proposed premises is closed, for a permit to sell alcoholic liquor in the premises of a building where part of the building is used as a dwelling (CGS § 30-51).

EFFECTIVE DATE: July 1, 2021, except the liquor permit and renewal affirmation provision is effective upon passage.

§ 75 — EFFECTIVE SEPARATION AND MINORS

Prohibits minors from being at certain consumer bars without a parent, guardian, or spouse

For barrooms that consist of only one room without effective separation between the barroom and the dining room, the act prohibits minors from sitting or standing at the consumer bar without being accompanied by a parent, guardian, or spouse.

EFFECTIVE DATE: July 1, 2021

§ 76 — AIRPORT ALCOHOL HOURS

Reauthorizes certain airport cafe permittees to serve alcohol at the hours they were allowed to before the enactment of PA 19-24

The act reauthorizes a cafe permittee that is deemed in compliance based on operating at Bradley International Airport to serve alcohol (1) between 6:00 a.m. and 1:00 a.m. the next morning Sunday through Thursday; (2) between 6:00 a.m. and 2:00 a.m. the next morning on Friday to Saturday; (3) on Christmas, when food is available; and (4) on New Year's Day until 3:00 a.m. Prior to PA 19-24, these airport permittees were allowed to sell alcohol during these hours.

As under existing law, the Connecticut Airport Authority may enter into agreements with lessees or concessionaires about the hours for selling, dispensing, and allowing food or nonalcoholic beverages to be consumed under the permit.

EFFECTIVE DATE: July 1, 2021

§ 78 — DCP ALCOHOL REGULATIONS PAMPHLET

Eliminates the option for DCP to publish a pamphlet of all alcohol regulations and instead requires DCP to post them on its website

Prior law required DCP to publicize its alcohol regulations biennially by either publishing a pamphlet that had to be furnished upon request or posting them on the department's website. The act eliminates the option to publish a pamphlet of all alcohol regulations and instead requires DCP to post them on its website.

EFFECTIVE DATE: July 1, 2021

§ 79 — INVESTIGATION INFORMATION DISCLOSURE TIMEFRAME

Increases the maximum time DCP can withhold investigation information from six to 18 months

The law allows DCP to withhold from disclosure any complaints, inspections, or other information from an investigation until the earlier of when (1) the investigation is completed or (2) a certain amount of time passes after the complaint was filed or the investigation began. The act increases the timeframes triggered by filing a complaint or beginning an investigation from six to 18 months. In effect, this gives the department an additional 12 months to complete an investigation before it can no longer withhold the related information.

EFFECTIVE DATE: July 1, 2021

§ 80 — WHOLESALER FREE SAMPLES

Allows wholesalers to offer industry members and their own staff free samples of alcohol they distribute

The act allows wholesalers to offer to their own staff and industry members free samples of alcohol they distribute for tasting on the wholesaler's premises. Any offering, tasting, wine education, and tasting class demonstration held on the permit premises must be conducted only during the hours a package store can operate. By law, package stores may sell between 10:00 a.m. and 6:00 p.m. on Sunday and 8:00 a.m. and 10:00 p.m. Monday through Saturday. Sales are also prohibited on Thanksgiving Day, New Year's Day, and Christmas (CGS § 30-91(d)).

The act also limits the wine tastings to (1) 10 uncorked or open bottles at any one time and (2) four times a year.

EFFECTIVE DATE: July 1, 2021

§ 81 — CONCESSION PERMITTEES SERVING TWO DRINKS AT ONCE

Allows concession permittees to sell up to two drinks at one time

The act allows concession permittees to sell up to two drinks at one time. Regulations limit permittees to serving one drink at a time (Conn. Agencies Regs., § 30-6-A24b(b)).

EFFECTIVE DATE: July 1, 2021

§ 82 — PROVISIONAL PERMIT TIME LIMITS

Prohibits provisional permits from being extended beyond one year

The act prohibits provisional permits from being extended beyond one year after the filing date. It also additionally allows DCP, along with the Liquor Control Commission as under existing law, to issue these permits.

EFFECTIVE DATE: July 1, 2021

§§ 83 & 84 — DRUGGIST PERMIT ALCOHOL DELIVERIES

Allows druggist permittees to deliver alcohol

Existing law allows druggist permittees to, among other things, sell alcohol in containers of between eight ounces or 187.5 mL and one quart or one liter, except beer may be sold in containers of up to 40 ounces or 1,200 mL. The act additionally allows them to deliver alcohol in these quantities.

The act also makes a technical change that substitutes the Commission of Pharmacy with DCP as the licensing authority.

EFFECTIVE DATE: July 1, 2021

§ 85 — CATERER PERMIT

Specifies that caterer liquor permittees may sell and serve alcoholic liquor without food, prohibits them from self-dealing or self-hiring in order to generate catering events, and allows for exclusive catering contracts

The act specifies that (1) a caterer liquor permittee may sell and serve alcoholic liquor for on-premise consumption with or without food at any event the permittee was hired for and (2) the service must be done pursuant to a contract between the permittee and the hiring party.

The act also prohibits caterer permittees from self-dealing or self-hiring in order to generate catering events.

Under the act, caterer permittees may enter into an exclusive contract with another business entity to provide catering services at a specific venue, as long as the caterer is available for hire and uses the permit at other venues. It prohibits the permittee, backer, or their spouse or children from having an ownership interest in the venue that has the exclusivity agreement.

EFFECTIVE DATE: July 1, 2021

§ 86 — NOTICING AND PLACARDING REQUIREMENTS EXEMPTION

Exempts Connecticut craft cafe permittees who held a manufacturer permit for a brew pub or a manufacturer permit for a beer and brew pub before July 1, 2020, from noticing and placarding requirements

The act exempts Connecticut craft cafe permittees who held a manufacturer permit for a brew pub or a manufacturer permit for a beer and brew pub before July 1, 2020, from noticing and placarding requirements. By law, applicants generally must give notice of a new permit in the newspaper and place placards visible from the road that include certain information, such as the name and location of the business. PA 19-24 consolidated the beer permits and established a Connecticut craft cafe permit that allows manufacturer permittees to sell for onpremises consumption.

EFFECTIVE DATE: Upon passage

§ 86 — REMONSTRANCE

Limits remonstrances to instances where the issue is not controlled by local zoning

By law, any 10 individuals who are at least age 18 may file a remonstrance with DCP about the applicant's suitability or proposed place of business, and DCP must hold a hearing upon the filing. The act limits these filings to instances where the issue is not controlled by local zoning.

EFFECTIVE DATE: Upon passage

§ 86 — APPLICATIONS WITH NO ACTION

Allows DCP to return applications when no action has occurred in 12 months

The act allows DCP to deem an application withdrawn and return applications when no new permit is issued within 12 months after the filing.

EFFECTIVE DATE: Upon passage

§§ 87-88, 92 & 94-96 — FINES AND APPEALS

Specifies that the appeals of conditions placed on permits are held in accordance with the UAPA and fines on a permit are per violation

The act specifies that (1) permittees may appeal under the Uniform Administrative Procedure Act (UAPA) when DCP places conditions on the permit and (2) fines on a permit are per violation. By law, DCP may impose a fine of up to \$1,000.

The act also specifies that final decisions to suspend or revoke permits are under the UAPA and immediately effective.

In addition, the act specifically subjects certain violations to permit revocation and suspension penalty provisions under CGS § 30-55. In doing so, it:

- gives DCP more discretion in penalties associated with the sale of alcohol

 (a) without a suggested price schedule and (b) of a discontinued brand in a closeout sale and
- 2. eliminates the possibility of up to one-year imprisonment for illegally shipping alcoholic liquor into the state and for any alcoholic liquor provision with an unspecified penalty.

EFFECTIVE DATE: July 1, 2021

§ 89 — NOTICES

Requires notices of decisions of any revocation or suspension of any permit to be posted on DCP's website rather than sent to the town clerk where the permittee operates or operated

The act requires DCP to post notice of any permit revocation or suspension on the department's website rather than sending a certificate of the permit revocation, suspension, or reinstatement to the town clerk where the permittee operates or operated.

EFFECTIVE DATE: July 1, 2021

§ 90 — TECHNICAL CHANGE

Makes a technical change

The act makes a technical change by removing a reference to an obsolete position.

EFFECTIVE DATE: July 1, 2021

§ 91 — CONNECTICUT UNFAIR TRADE PRACTICES ACT (CUTPA)

Specifically allows CUTPA to be used in cases of unfair pricing

The act specifically allows CUTPA to be used in cases of unfair pricing where a wholesaler or retail permittee sells at a price with the intent to destroy or prevent competition.

EFFECTIVE DATE: July 1, 2021

§ 93 — MANUFACTURER REBATES

Prohibits (1) merchandise, novelties, or other items from being used as manufacturers' rebates and (2) requiring alcohol purchase as a prerequisite for purchasing these items

The act prohibits (1) merchandise, novelties, or other items from being used as manufacturers' rebates and (2) permittees from requiring that alcoholic liquor be purchased for a consumer to receive access to any merchandise, novelty, or other item.

By law, a manufacturer's rebate is the amount due and payable according to a permittee's offer, other than a retail permittee, to refund a consumer for all or a portion of the alcoholic liquor product's purchase price.

EFFECTIVE DATE: July 1, 2021

§ 97 — CAFE PERMITS FOR HIGHER EDUCATION INSTITUTIONS

Allows cafe permits to be issued to any accredited higher education institution

The act allows cafe permits to be issued to higher education institutions accredited by the Board of Regents, Office of Higher Education, or otherwise authorized to award a degree. The permit may be granted for the land and buildings that are subject to the care, custody, and control of these institutions. Under prior law, only UConn and a specified golf course associated with a higher education institution were eligible.

EFFECTIVE DATE: July 1, 2021 § 98 — OUT-OF-STATE SHIPPERS

Allows out-of-state shipper permittees to sell outside of Connecticut

The act allows out-of-state shipper permittees for alcoholic liquor other than beer to sell alcoholic liquor to manufacturers and wholesaler permittees outside of Connecticut.

EFFECTIVE DATE: July 1, 2021

§ 99 — PACKAGE STORE SHIPPING OUT-OF-STATE

Allows package store permittees to ship to out-of-state consumers

Regardless of the law prohibiting retailers from selling below cost (as defined in existing law), the act allows package store permittees to ship alcoholic liquor to out-of-state consumers, subject to all applicable laws of the jurisdiction where the consumer is located. "Out-of-state" means any U.S. territory or possession, Washington D.C., or Puerto Rico, but not foreign countries.

EFFECTIVE DATE: July 1, 2021

§ 100 — TWO DRINKS AT ONCE

Allows an alcoholic liquor permittee that sells for on-premises consumption to sell up to two drinks at once

The act allows an alcoholic liquor permittee that sells for on-premises consumption to sell up to two drinks at one time. It also requires the DCP commissioner to amend existing regulations to allow for such sales. Regulations limit permittees to serving one drink at a time (Conn. Agencies Regs., § 30-6-A24b(b)).

EFFECTIVE DATE: July 1, 2021

§§ 101 & 102 — MUNICIPAL OPTION

Allows municipalities to decide whether to allow alcoholic liquor (e.g., spirits, wine, and beer) sales legislatively rather than by referendum

The act allows municipalities to determine whether to allow alcoholic liquor sales, or which permit types to allow, through a vote of its legislative body or, in a town with a legislative town meeting, by vote of the board of selectmen, rather than a referendum.

Under the act, if a municipality made a determination before the provision took effect (June 4, 2021), that action remains in effect until the municipality takes further action in accordance with the act's provisions.

EFFECTIVE DATE: Upon passage

§ 103 — SEASONAL OUTDOOR OPEN-AIR PERMIT

Establishes a seasonal outdoor open-air permit that allows alcohol sales in outdoor spaces under certain conditions

The act establishes a seasonal outdoor open-air permit that allows the retail sale of alcoholic liquor for on-premises consumption with a \$2,000 permit fee. This consumption may be done on a lot, yard, green, or other outdoor open space under certain conditions, including the following:

- 1. the retail sale and consumption of alcoholic liquor is allowed in the space by applicable local zoning, health, and fire marshal officials;
- 2. the permitted premises is less than one square acre;
- 3. a temporary fence or wall at least 30 inches high encloses the permitted area; and
- 4. restrooms or enclosed portable toilets are available within the permitted area or nearby.

The permittee must also make food available for sale to consumers to eat on the premises while the permittee is selling the alcohol. The food may be prepared on the premises, provided by a food truck or caterer, or be prepackaged. The availability of menus for delivery is deemed in compliance with the food requirement. The act specifies that food is not required to be purchased with an alcoholic beverage.

The act allows tents, mobile units, and other temporary fixtures to be included within the permitted premises. A permittee must maintain the permitted premises in a manner consistent with all applicable local zoning, health, and fire requirements.

The permit is effective either from April 1 to September 30 or May 1 to October 31 of the same year. DCP must issue the permit, which is subject to the hours a restaurant permittee may serve alcohol. By law, restaurant permittees may generally serve alcohol from 9:00 a.m. to 1:00 a.m. the next morning on Monday through Thursday, from 9:00 a.m. to 2:00 a.m. the next morning for Friday and Saturday, and 10:00 a.m. to 1:00 a.m. the next morning on Sunday (CGS § 30-91(a)).

Under the act, the permit is not renewable and there is no provisional permit available. Backers may apply for only one permit per calendar year. The act exempts the permittee from the remonstrance requirements.

The act also allows the permittee to sell draught beer for off-premises consumption (e.g., by the growler). Permittees may only sell up to four liters per person per day during the hours package stores can sell. By law, package stores may sell between 10:00 a.m. and 6:00 p.m. on Sunday and 8:00 a.m. and 10:00 p.m. Monday through Saturday.

EFFECTIVE DATE: Upon passage

§ 104 — PROHIBITION ON RELABELING AS CONNECTICUT WINE

Prohibits repackaging, relabeling, or selling wine manufactured outside of Connecticut as Connecticut-made wine

Notwithstanding the alcoholic liquor manufacturing, out-of-state shipper's, and out-of-state winery shipper's permit statutes, the act prohibits anyone from repackaging, relabeling, or selling wine manufactured outside the state for the purpose of selling it as Connecticut-made wine.

EFFECTIVE DATE: July 1, 2021

§ 105 — PACKAGE STORE ALLOWABLE ITEMS

Allows package store permittees to sell devices and related accessories designed to access and extract a beverage containing alcohol from a prepackaged container (e.g., pod or pouch)

The act allows package stores to sell devices and related accessories designed primarily for accessing and extracting a beverage containing alcohol from prepackaged containers, including pods, pouches, or similar containers, but excluding devices that are not designed primarily for these purposes, including household blenders.

EFFECTIVE DATE: July 1, 2021

§ 106 — MEAD IN GIFT BASKETS

Allows gift basket retailer permittees to sell mead in their gift baskets

The act allows gift basket retailer permittees to sell mead in their gift baskets. It requires the permittee to purchase the mead from a package store or from a manufacturer permittee for wine, cider, and mead. As under existing law, the mead must not be consumed on the premises. In addition to the items a permittee may already include in a gift basket (e.g., food items, nonalcoholic beverages, and certain articles of clothing), the act allows the permittee to sell gift baskets with (1) a maximum four bottles of mead or wine per basket and (2) mead-related drinking glasses, bottle openers, and literature.

EFFECTIVE DATE: Upon passage

§ 107 — PROOF GALLON

Specifies that a manufacturer permittee for spirits who produces less than 50,000 proof gallons, rather than gallons, may sell sealed bottles at retail for off-premises consumption

Under the act, a manufacturer permittee for spirits who produces less than 50,000 proof gallons, rather than gallons, in a calendar year may sell sealed bottles at retail for off-premises consumption. Depending on the proof of the manufactured spirits, this may increase or decrease the amount a manufacturer

may produce and still be able to sell at retail. (Most spirits are under 50 proof; therefore, this provision will likely allow manufactures to produce additional amounts.) By law, for each consumer, these manufacturer permittees for spirits may sell up to three liters per day but not more than five gallons in any two-month period.

As used for the alcoholic beverage tax, "proof gallon" means the equivalent of one wine gallon (i.e., 128 fluid ounces) at 100 proof (CGS § 12-433). EFFECTIVE DATE: July 1, 2021

§§ 108 & 109 — CERTAIN ON-PREMISES ALCOHOL PERMITTEES ALLOWED TO SELL FOR OFF-PREMISES CONSUMPTION

Allows, until June 4, 2024, certain alcohol permittees to sell and deliver alcoholic liquor for offpremises consumption that they currently sell for on-premises consumption

The act allows, until June 4, 2024, certain alcohol permittees to sell and deliver sealed alcoholic liquor (e.g., beer, wine, or spirits) for off-premises consumption that they currently sell for on-premises consumption. The act applies to the following permittees:

- 1. manufacturers, when they are not selling their own product, and
- 2. hotels; restaurants; and cafes, including those that are deemed cafes because of their status under the prior golf country club, club, or nonprofit club permits. (PA 21-10 reestablished the club and nonprofit club permits and eliminates prior provisions that allowed these permittees to receive a cafe permit. Thus, the reestablished club and nonprofit club permittees would not be able to sell for off-premises consumption.)

The act (1) requires the alcoholic liquor sold for off-premises consumption to be accompanied by food prepared on the permit premises and (2) specifies that sales must be consistent with all local ordinances where the premises is located. Except for manufacturers, permittees may use a container other than the manufacturer's original sealed container, but it must be securely sealed.

By law, manufacturer permittees may already sell their own product for offpremises consumption under certain conditions and the act does not apply to these sales. The act allows them to deliver their products and specifically allows them to do so without food.

The act allows sales and deliveries only during the hours package stores may operate under state law (see *Background*). The permittee's direct employee must make the deliveries unless the third-party vendor or entity holds an in-state transporter permit.

The act limits the amounts hotel and restaurant permittees may sell each customer per order to 196 ounces for beer, one liter for spirits, and 1.5 liters for wine.

Securely Sealed Containers

Except for manufacturer permittees, the act allows the alcoholic liquor to be sold and delivered in containers other than the manufacturer's original sealed

container.

Under the act, the alcoholic liquor must be given to the consumer in a securely sealed container that prevents consumption without removing the tamper-evident lid, cap, or seal. The act specifies a securely sealed container does not include one with a lid with sipping holes or openings for straws. It also requires the permittee's agent or employee to place each securely sealed container into a bag before leaving the permit premises.

Under the act, a sealed container is not deemed an open container, so long as the (1) container is unopened and the seal has not been tampered with and (2) contents have not been partially removed.

Manufacturer Permittees

The act subjects manufacturer permittees to the same limits for off-premises consumption as the amount they may sell at retail from their premises under existing law. By law, for each consumer, manufacturer permittees for (1) spirits that produce less than 50,000 gallons may sell up to three liters per day but not more than five gallons in any two-month period and (2) beer may sell up to nine gallons per day (CGS § 30-16). There is no limit for permittees of (1) a farm winery or (2) wine, cider, and mead.

Background — Package Store Hours

By law, package stores may sell alcohol between 10:00 a.m. and 6:00 p.m. on Sunday and 8:00 a.m. and 10:00 p.m. Monday through Saturday. Sales are also prohibited on Thanksgiving Day, New Year's Day, and Christmas (CGS § 30-91(d)).

EFFECTIVE DATE: Upon passage

§ 110 — REPEALER

Repeals obsolete provisions

The act repeals obsolete provisions due to PA 19-24, including one dealing with barroom partitions and bathrooms, and another with special sporting facility permits.

EFFECTIVE DATE: July 1, 2021